



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE TRAVEL

M. J. "MIKE" FOSTER, JR.
GOVERNOR

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

TRAVEL MEMORANDUM #03/02
UPDATE #1
NEW TRANSACTION FEES
March 18, 2002

Effective March 18, 2002, American Airlines and Continental Airlines have announced that they have eliminated all base commissions for tickets sold by travel agents in the US. This change will apply to all tickets for both domestic and international travel. Therefore, effective this date the State of Louisiana will pay a \$23 transaction fee for all American Airline and Continental Airline tickets issued by our contracted travel agency, Navigant International.

This is now three of the major airlines to reduce paying base commissions to zero in the last few days. We made the announcement that Delta Airlines had reduced their commissions to zero effective March 15, 2002. Now that three major airlines have moved forward, it is anticipated that all other airlines will follow.

Please continue to review our website daily, for updates as they occur. The transaction fee for all remaining airlines (other than Delta, American and Continental Airlines) will remain \$8 until further announcements.

Agencies have been requesting a clarification as to whether it is the state's position to pay these higher transaction fees. The answer is yes. There were provisions allowed for in our contract to raise transaction fees as commissions were reduced. These fees are approved.

We appreciate your continued support of the travel program.